



Getting Involved In OEB's Review of Hydro One's Rate Application

OEB Community Meeting – Leamington

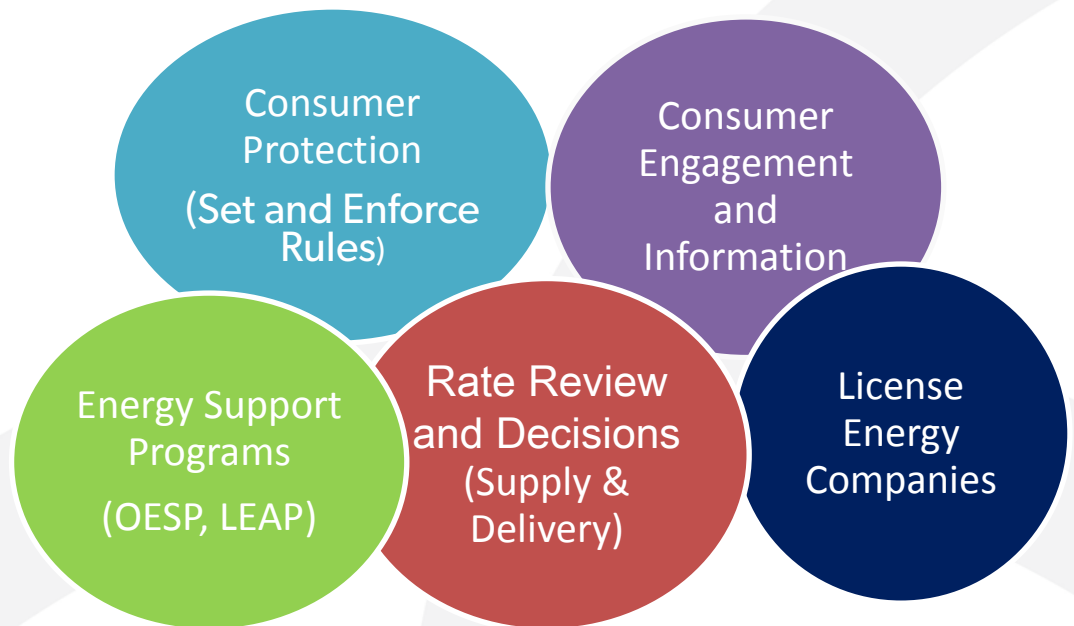
June 15, 2017

Every Voice Matters

- The OEB wants to hear from you to ensure we take your concerns into account as we make a decision about this application.
- OEB Community Meetings are held to give you an opportunity to:
 - Learn more about your utility's costs and rate application
 - Find out how to get involved in the OEB's process
 - Provide your comments to us about your utility's application.

OEB – Regulating Ontario’s Energy Sector

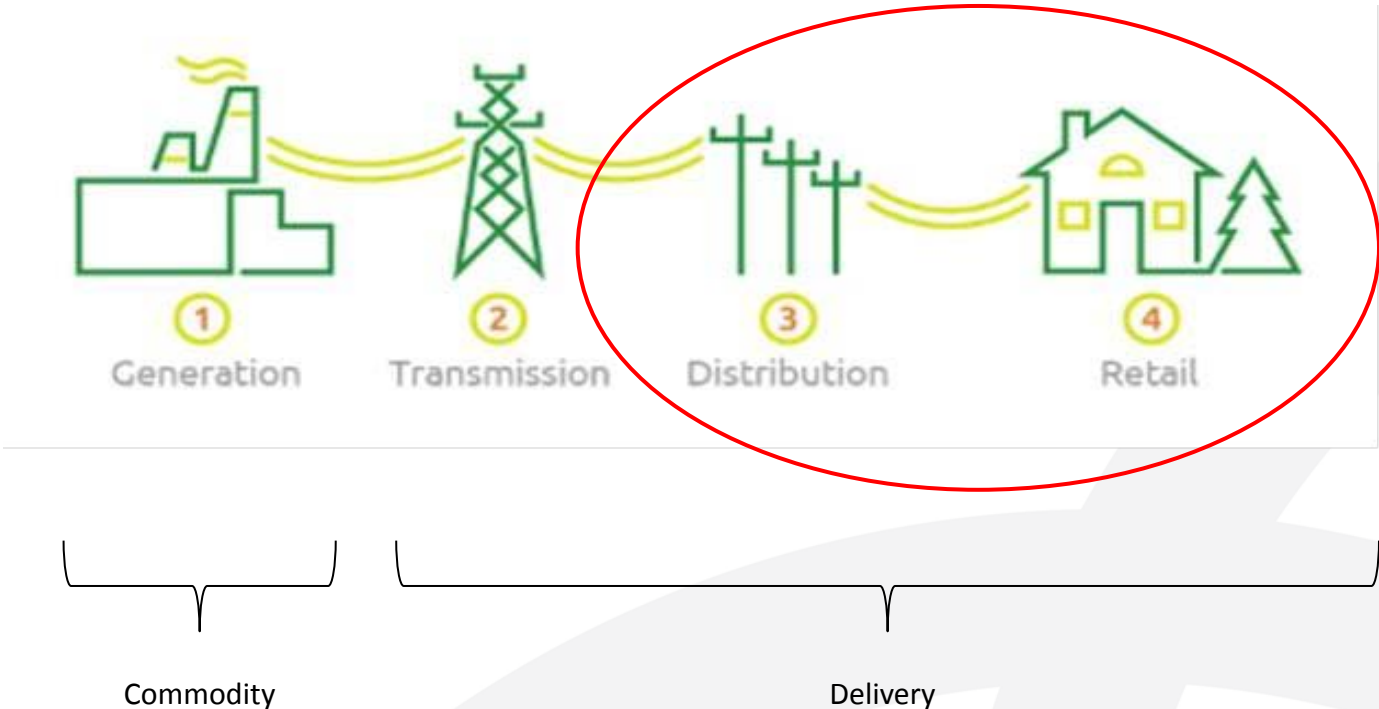
- **The OEB is Ontario's independent energy regulator.** We work to ensure a sustainable, reliable energy sector that helps consumers get value from their natural gas and electricity services – for today and tomorrow.



Ontario's Fair Hydro Plan

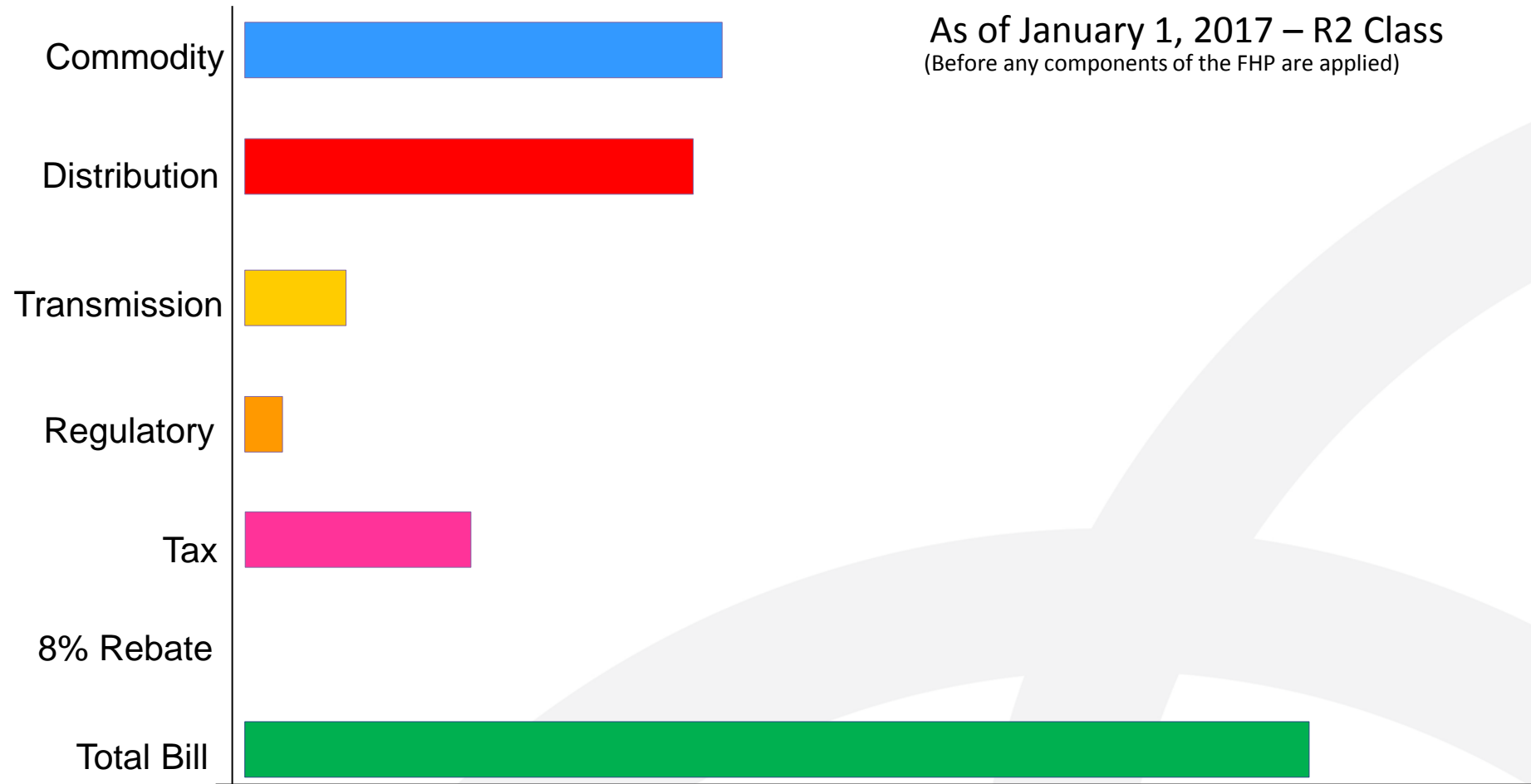
- The *Fair Hydro Act, 2017* came into effect on June 1, 2017.
- This Act, together with proposed new regulations, will enable the government to move forward with initiatives that it has stated will:
 - Lower electricity bills by 25% on average for all residential customers and hundreds of small business and farms
 - Hold increases to the rate of inflation for four years
 - Provide additional electricity bill relief for:
 - residential customers in rural and remote areas
 - on-reserve First Nations residential customers
 - Fund electricity-related programs such as OESP through taxes

Reviewing Distribution Rates



The Fair Hydro Act – Bill drops 25% on average

As of January 1, 2017 – R2 Class
(Before any components of the FHP are applied)

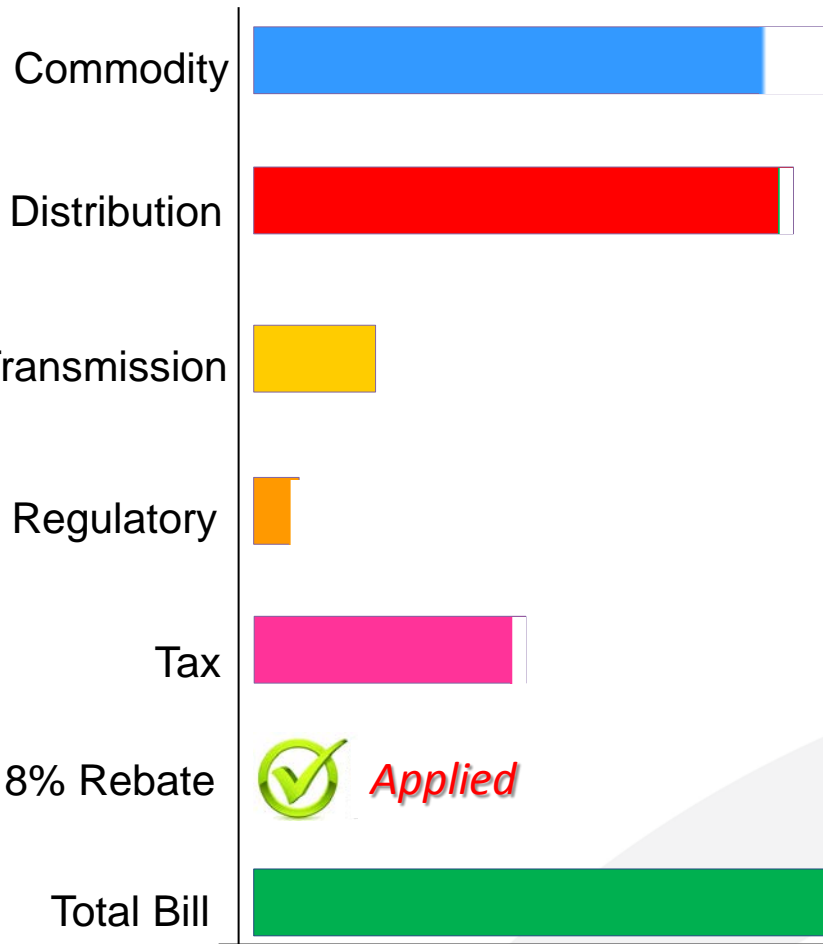


The Fair Hydro Act – Bill drops 25% on average

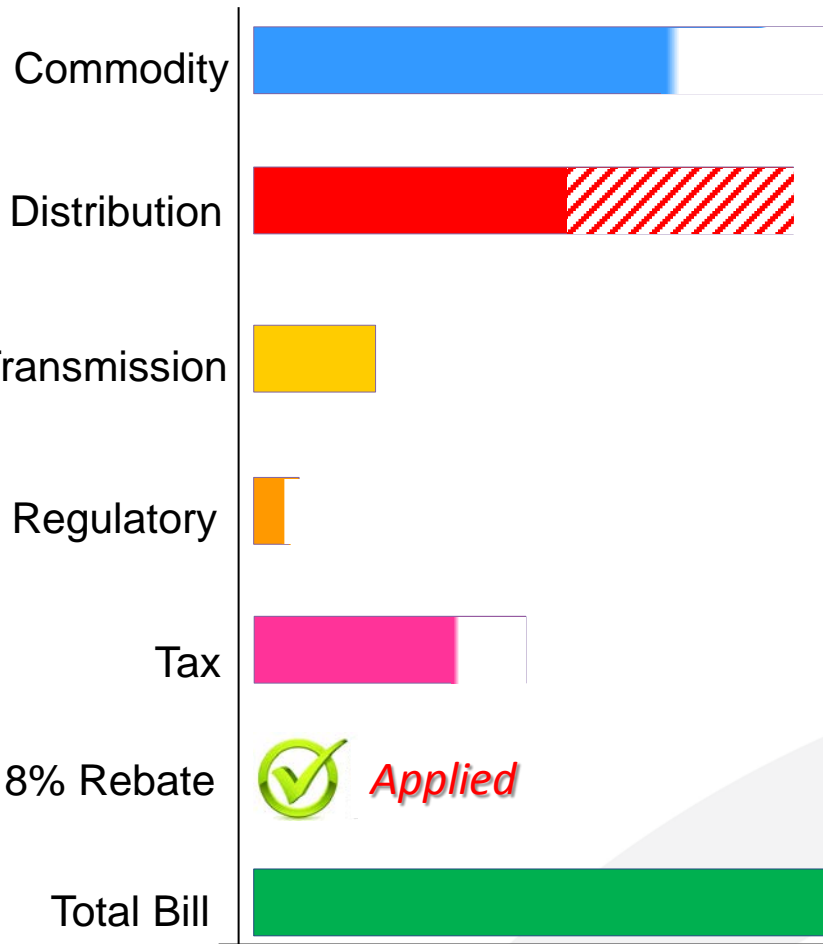
As of May 1, 2017 – R2 Class

- Implementation of 8% Rebate
- Removal of OESP Charge
- Reduction in Commodity Prices

With the implementation of additional FHP components, you will see further reductions



The Fair Hydro Act – Bill drops 25% on average



As of May 1, 2017 – R2 Class

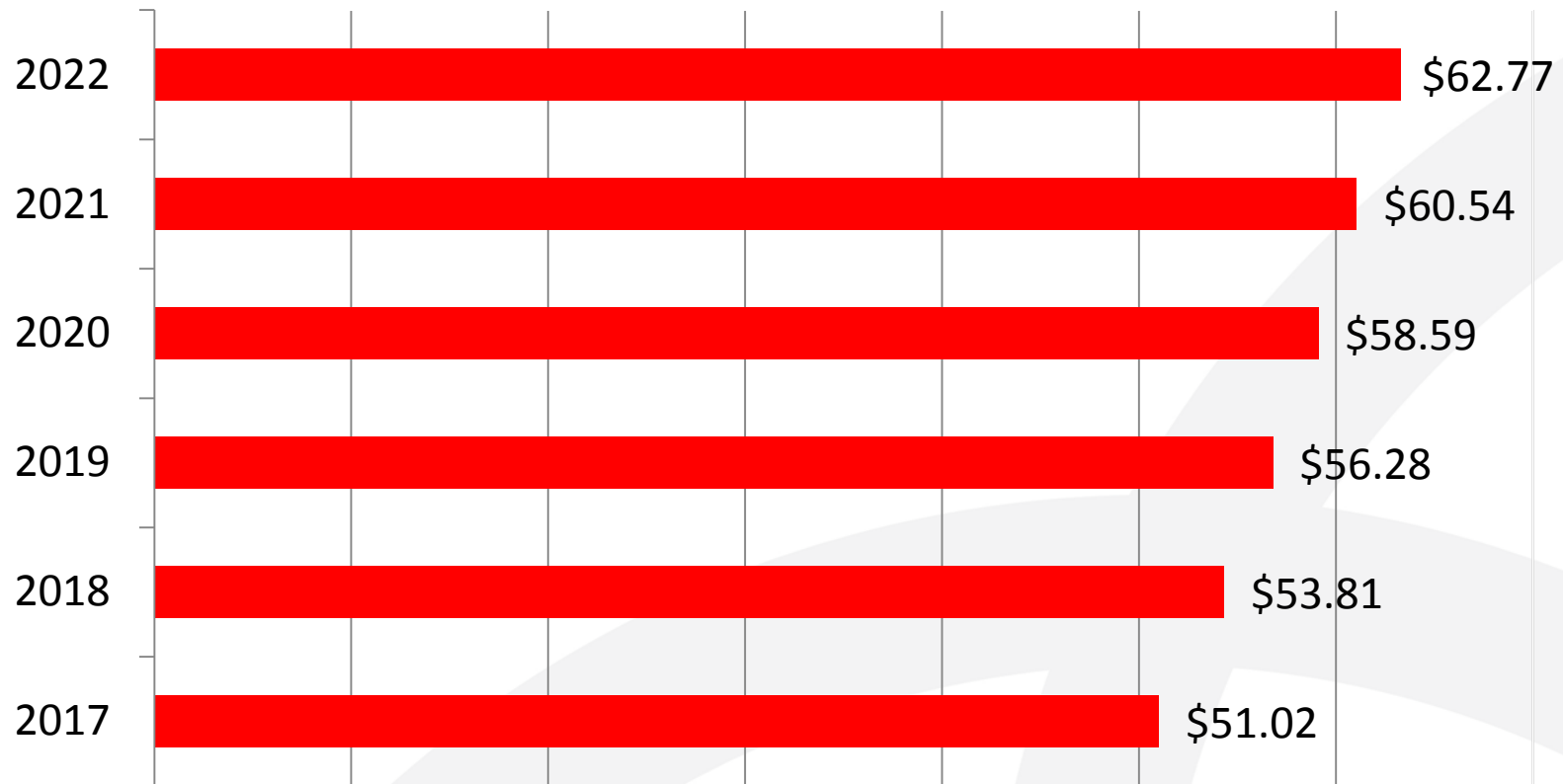
- Implementation of 8% Rebate
- Removal of OESP Charge
- Reduction in Commodity Prices

With the implementation of additional FHP components, you will see further reductions

- Reduction in Commodity on July 1st
- Reduction in Distribution Charges
- Reduction in Regulatory Charges
- As a result, your taxes and total bill will decrease

Hydro One's Rate Application

Base Distribution Charge - R1 Customer at 750 kWh



Ontario's Fair Hydro Plan

- The OEB will continue to rigorously review all rate applications to help control costs.
- As indicated in the Minister's April 10, 2017 letter to the OEB:

“ The proposed [Fair Hydro] Plan is not intended to limit the OEB's mandate to set just and reasonable rates or payment amounts. The government fully expects that the OEB will continue exercising its mandate in the public interest as it does today.”

Rigorous Rate Reviews Control Costs

- OEB's process limits rate increases.
- Utilities must apply to the OEB to change their rates and prove increases are justified.
- Utilities must show that they are doing everything possible to be more efficient and keep improving.
- Since 2009, the OEB has reviewed more than 130 major rate applications and reduced requested rate increases by an average of about 40 per cent.
- Overall, the OEB has kept the annual growth in average distribution rates close to the rate of inflation during the same period.

The OEB Sets Distribution Rates

- The OEB reviews the “rates” that a local utility can charge customers
- A rate is an amount that recovers:
 - a utility's costs of providing distribution service (such as operations, maintenance, administrative expense, capital projects)
 - a fair return on equity

Delivering Value – Ensuring Reliability

The OEB's job is to align various objectives to ensure reliability



Prices, reliability
and quality of
service

Financially viable
energy sector

Be heard in the OEB's Process

1. Application
Customer
Notification



2. Customer
Input



3. OEB Reviews
all Information



4. Decision



Bill Inserts



Social Media



Website



Newspaper Notice



Community Meeting



Write a Letter



Intervenor

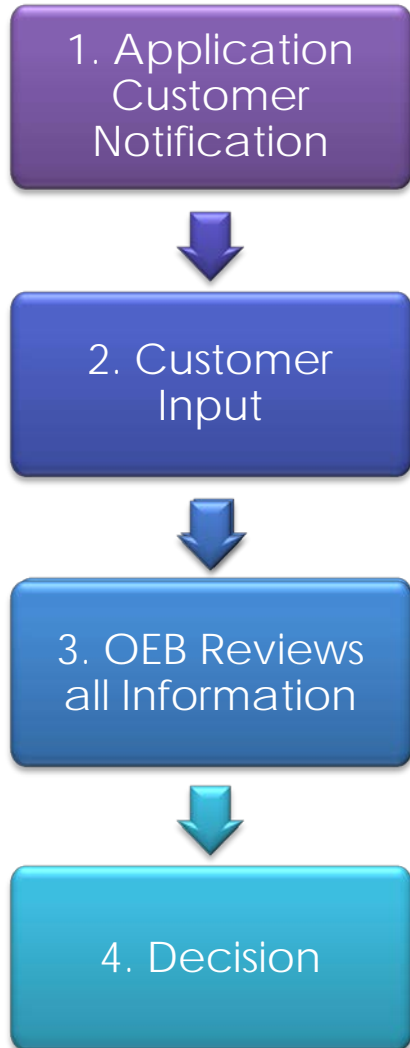


Contact the OEB



Posted on OEB Website
& Sent to Participants

Be heard in the OEB's Process



Oral or written

Number of activities at each stage

Various Representatives

Timeline: ~ 9 months

Occurs every 5 years

What Can You Do?

- OEB wants to hear from you. We encourage you to:
 - Ask questions
 - Provide comments (via post or email)
 - Attend or listen in on the hearings
 - Follow the proceedings
- Your voice helps the OEB do our job:

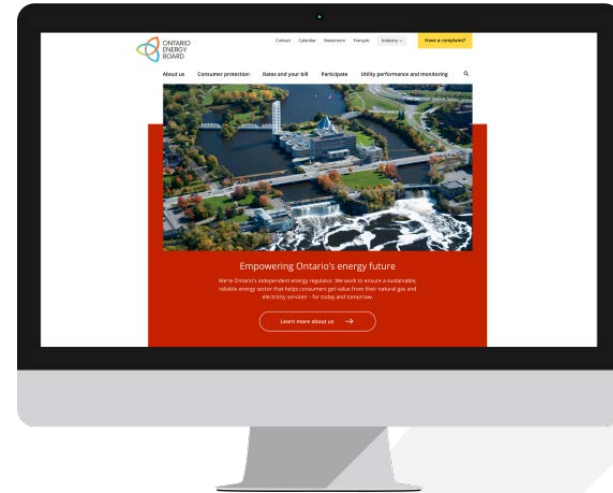
Ensuring utilities deliver value by focusing on what matters most to you

OEB Hearings

- Open to all
 - Evidence is public
 - All written hearing materials posted on OEB website
 - All oral hearings open to the public and broadcast through OEB's website

Contact OEB to Learn More

Visit our
website



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Your Voice Matters – Thank You

